

## Message Text

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ORIGIN OPIC-12

INFO OCT-01 AF-10 ISO-00 EB-11 /034 R

66603

DRAFTED BY: OPIC/F:GWILLIAMS

APPROVED B : EB/IFD/OIA:M KENNEDY

EB/IFD/OIA:WHCOURTNEY

AF/C- WBRISTLER

SPECIAL CHARGE: OPIC

----- 106491

R 081904Z FEB 74

FM SECSTATE WASHDC

TO AMEMBASSY NDJAMENA

INFO AMEMBASSY YAOUNDE

AMEMBASSY BANGUI

AMEMBASSY LAGOS

UNCLAS STATE 026628

E.O. 11652: GDS

TAGS: EFIN

SUBJECT: TCHAD AGEICULTURAL ENTERPRISES

1. REPRESENTATIVES OF THE SUBJECT NEW COMPANY HAVE APPROACHED OPIC CONCERNING POLITICAL RISK INSURANCE AND FINANCING OF THEIR PROPOSED PROJECT AND INVESTMENT IN THEIR PROJECT DEVELOPMENT WORK. THESE WERE STUART ROOSA, G.L. GIBBONS AND LEONARD MILTON, AND THEIR PROPOSAL IS A DIRECT RESULT OF THEIR PEOPLE-TO-PEOPLE-SPORTS PROGRAM VISIT TO CHAD LAST YEAR.

2. THE PROJECT IS STILL IN THE CONCEPT STAGE, BUT THEY HAVE STUDIED THE REPORT OF THE OFFICE DE LA RECHERCHE SCIENTIFIQUE ET TECHNIQUE OUTRE-MER AND HAVE HAD DR. MARTIN OPENSHAW OF THE UNIVERSITY OF ARIZONA APPRAISE IT FOR THEM. AS A RESULT THEY WANT TO CONDUCT PROJECT FEASIBILITY WORK LEADING TO A DECISION TO INVEST IN AND CARRY OUT THE PROJECT. THE GROUP INTENDS TO PROVIDE MOST OF THE NECESSARY PROJECT FUNDS AND TO MANAGE IT, BUT THEY HOPE TO INVOLVE CHADIANS IN THE EQUITY AND MANAGEMENT.

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3. THE PROPOSED STUDY WILL COVER, AMONG OTHER THINGS:

A. LAND:SITE, COST (PURCHASE OR LEASE), WATER RIGHTS, EXPANSION OPPORTUNITIES. INITIAL PLOT IS TO BE ABOUT 5,000 ACRES.

B. SOIL AND WATER SAMPLES FOR TESTING.

C. MARKETS, INCLUDING EXPORT POTENTIALS IF INTERNAL MARKETS PROVE TO BE INADEQUATE. COMPANY SEEMS TO FAVOR HOST GOVERNMENT GUARANTIES AS TO PRICES AND PURCHASE COMMITMENTS. OPIC EXPECTS THE PROJECT TO STRIVE FOR DEGREE OF ECONOMIC EFFICIENCY SUFFICIENT TO KEEP ITS PRICES IN LINE WITH WORLD PRICES.

D. FERTILIZER AVAILABILITIES.

E. HOST GOVERNMENT ROLE: PRESIDENT'S INTEREST IN SEEING THIS PROJECT IMPLEMENTED AND SUCCEED; POSSIBLE LIMITATION AND RESTRICTIONS, E.G., LAKE CHAD BASIN COMMISSION.

F. AVAILABILITY, COST, ETC., OF TRANSPORTATION, LABOR, EQUIPMENT, ETC.

4. THE FEASIBILITY STUDY WILL BE CARRIED OUT IN APPROPRIATE PHASES TO PERMIT REGULAR REVIEW BY THE PARTICIPANTS OF THE PROSPECTS FOR THE PROJECT. TOTAL COST TO THE U.S. SPONSORS WILL BE ABOUT \$30,000 PLUS THEIR TIME. OPIC EXPECTS TO INVEST \$10,000 - 20,000 IN THIS STUDY AND TO ASSIST IN ANY OTHER WAY. OPIC'S PARTICIPATION WILL BE MADE THROUGH THE AGRIBUSINESS COUNCIL, A NON-PROFIT LDC DEVELOPMENT AGENCY SUPPORTED BY U.S. FIRMS IN THE FOOD AND RELATED BUSINESSES AND SEVERAL FOUNDATIONS.

5. PLEASE ADVISE IF EMBASSY CONSIDERS IT INAPPROPRIATE FOR OPIC TO PARTICIPATE IN THIS STUDY AND THE SUBSEQUENT PROJECT, IF ANY, AND TO ANNOUNCE THIS PARTICIPATION ON OR ABOUT FEBRUARY 13.

6. ASSUMING OPIC GO-AHEAD, WILL CABLE ETA OF SPONSOR GROUP. KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INSURANCE, FOREIGN INVESTMENT, PRIVATE INVESTMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 08 FEB 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
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**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
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**Reference:** n/a  
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**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 28 FEB 2002  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**Status:** NATIVE  
**Subject:** TCHAD AGEICULTURAL ENTERPRISES  
**TAGS:** EFIN, OPIC, TCHAD  
**To:** NDJAMENA  
**Type:** TE  
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